

**BEFORE THE BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES  
STATE OF UTAH**

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF FIDELITY EXPLORATION & PRODUCTION COMPANY FOR AN ORDER ESTABLISHING A SPECIAL DRILLING UNIT FOR THE CCU 36-2-25-19 HORIZONTAL WELL FOR THE PRODUCTION OF OIL AND ASSOCIATED GAS AND HYDROCARBONS FROM THE PARADOX FORMATION COMPRISED OF THE SE¼SE¼ OF SECTION 25 AND THE S½S½ OF SECTION 36, TOWNSHIP 25 SOUTH, RANGE 19 EAST, SLM, THE N½N½ [UNSURVEYED] OF SECTION 1 AND LOT 1 OF SECTION 2, TOWNSHIP 26 SOUTH, RANGE 19 EAST, SLM, AND LOTS 4 AND 5 OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 20 EAST, SLM, GRAND COUNTY, UTAH

**NOTICE OF HEARING**

Docket No. 2016-002  
Cause No. 166-07

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining ("Board"), State of Utah, will conduct a hearing on WEDNESDAY, FEBRUARY 24, 2016, at 9:00 AM, or as soon thereafter as possible, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah. The hearing will be streamed live on the Department of Natural Resources YouTube channel at <https://youtu.be/bVvvvz-2Fmo>.

The hearing will be conducted as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641 et seq., and as provided for in Utah Code Ann. § 40-6-1 et seq., and Utah Code Ann. § 63G-4-101 through 601.

The purpose of the hearing will be for the Board to receive testimony and evidence regarding a Request for Agency Action that the Board enter an Order:

1. Establishing a special drilling unit for the CCU 36-2-25-19 horizontal well (the "Subject Well") for the production of oil and associated gas and hydrocarbons for the Paradox formation, defined for purposes of this Cause as follows:

that interval between the stratigraphic equivalence of 3,668 feet and 8,733 feet, as shown on the Gamma Ray Log of the CCU 36-2-26-19 Well, with a surface hole location in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ , Section 36, T25S, R19E, SLM,

comprised of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 35 and the S $\frac{1}{2}$ S $\frac{1}{2}$  of Section 36, Township 25 South, Range 19 East, SLM, the N $\frac{1}{2}$ N $\frac{1}{2}$  [unsurveyed; which apparently will consist of Lots 1-8 if and when surveyed] of Section 1 and Lot 1 of Section 2, Township 26 South, Range 19 East, SLM, and Lots 4 and 5 of Section 6, Township 26 South, Range 20 East, SLM, Grand County, Utah, retroactive to August 26, 2014, the date of first production from said Well;

2. Providing that no well (whether vertical or horizontal) producing from the Paradox formation may be located 760 feet closer than from any portion of the Subject Well's lateral located within said Formation without an exception location approval by the Division or Board in accordance with Utah Admin. Code Rule R649-3-3;

3. Providing said Order shall be suspended without further order of the Board if and as of the effective date of the determination by the Bureau of Land Management ("BLM") that the Subject Well is capable of producing Unitized Substances in Paying Quantities, as defined in the Cane Creek Unit Agreement, and/or inclusion of all of the Subject Lands within a Unit participating area. In such event, Fidelity, or its successor Unit Operator, shall provide to the

Board's secretary a copy of the BLM Decision Letter reflecting such determination so the Board's records may be properly noted to reflect such suspension becoming effective; and

4. Providing for such other and further relief as may be just and equitable under the circumstances.

Objections to the Request for Agency Action must be filed with the Secretary of the Board at the address listed below no later than February 10, 2016. A party must file a timely written objection or other response in order to participate as a party at the Board hearing. Failure to participate can result in a default judgment.


Natural persons may appear and represent themselves before the Board. All other representation of parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts.

Persons interested in this matter may participate pursuant to the procedural rules of the Board. The Request for Agency Action, and any subsequent pleadings, may be inspected at the office of the undersigned, and inspected online at the Utah Board of Oil, Gas and Mining's website at <http://ogm.utah.gov/amr/boardtemp/redesign/books.html>.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 26th day of January, 2016.

STATE OF UTAH  
BOARD OF OIL, GAS AND MINING  
Ruland J. Gill, Jr., Chairman

  
\_\_\_\_\_  
/s/ Julie Ann Carter  
Board Secretary  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84116  
(801) 538-5277

**CERTIFICATE OF PUBLISHED NOTICE**

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2016-002 Cause No. 166-07 to be PUBLISHED in the following newspapers on the following days:

February 7, 2016:

The Salt Lake Tribune and Deseret Morning News, newspapers of general circulation in Salt Lake City and County.

February 3, 2016:

Times-Independent, a newspaper of general circulation in Emery, Grand, and San Juan Counties.

A handwritten signature in blue ink, reading "Julie Ann Carter", is written over a horizontal line.

## CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of January, 2016, I caused a true and correct copy of the foregoing **NOTICE OF HEARING** for Docket No. 2016-002, Cause No. 166-07, to be mailed by Email or via First Class Mail with postage prepaid, to the following:

MacDonald & Miller  
Mineral Legal Services, PLLC  
Frederick M. MacDonald, Esq.  
7090 S. Union Park Ave., Ste. 400  
Midvale, Utah 84047  
E-Mail: [fred@macmillerlegal.com](mailto:fred@macmillerlegal.com)

*Attorneys for Petitioner Fidelity Exploration  
& Production Company*

Steven F. Alder  
John Robinson Jr.  
Melissa L. Reynold  
Utah Attorney General's Office  
Natural Resources Division  
1594 W. North Temple, Suite 300  
Salt Lake City, Utah 84116  
Email: [stevealder@utah.gov](mailto:stevealder@utah.gov)  
Email: [jrobinson@utah.gov](mailto:jrobinson@utah.gov)  
Email: [mreynolds@utah.gov](mailto:mreynolds@utah.gov)

*Assistant Attorneys General representing the  
Division of Oil, Gas and Mining*

Utah School & Institutional Trust Lands  
Administration  
Attn: LaVonne Garrison  
675 East 500 South, Suite 500  
Salt Lake City, UT 84102-2818

Hugh E. Harvey, Jr.  
2142 S. Holland Street  
Lakewood, CO 80227

*Petitioner's Address:*

Fidelity Exploration & Production Company  
Attention: Laurie Tur, Senior Landman  
1801 California St., Suite 2500  
Denver, Colorado 80202  
E-Mail: [laurie.tur@fidelityepco.com](mailto:laurie.tur@fidelityepco.com)

Mike Johnson  
Utah Attorney General's Office  
Natural Resources Division  
1594 W. North Temple, Suite 300  
Salt Lake City, Utah 84116  
Email: [mikejohnson@utah.gov](mailto:mikejohnson@utah.gov)

*Assistant Attorney General representing the  
Board of Oil, Gas and Mining*

Aspect Energy LLC  
Attn: Land Dept.  
1775 Sherman Street, Suite 2400  
Denver, CO 80203

Robert P. Jornayvaz, III  
707 17<sup>th</sup> Street, Suite 4200  
Denver, CO 80202-3432

Trachyte Oil Company  
P.O. Box 11206  
Salt Lake City, UT 84147-0206

Mary L. Kammerer  
8205 E. Lakeview Drive  
Parker, CO 80134-5912

The Esperanza Corporation  
475 17<sup>th</sup> Street, Suite 980  
Denver, CO 80202-4011

Benson Mineral Group, Inc.  
1560 Broadway, Suite 1900  
Denver, CO 80202

Lawrence E. Monley Family LLC  
1290 High Street, Unit C  
Denver, CO 80218

Katherine A. Swaney  
10106 Dogwood Avenue  
Palm Beach Gardens, FL 33410

Elise A. Lambuth  
5455 Briarfield Road  
Jackson, MS 39211-4132

Norman Oil & Gas, LLC  
c/o Clifford Parkinson, Esq.  
Lear & Lear, LLP  
Attorneys of Record  
808 E. South Temple Street  
Salt Lake City, UT 84102

Merrion Oil & Gas Corporation  
610 Reilly Avenue  
Farmington, NM 87401-2634

Long Canyon LLC  
Attn: Land Dept.  
1775 Sherman Street, Suite 2400  
Denver, CO 80203

Leo B. & Florence Helzel Trust  
Leo B. or Florence Helzel, Trustees  
c/o Benson Mineral Group, Inc.  
1560 Broadway, Suite 1900  
Denver, CO 80202

HHK-Wilcox Company, Inc.  
c/o Benson Mineral Group, Inc.  
1560 Broadway, Suite 1900  
Denver, CO 80202

Dale L. Schwarzhoff  
c/o Benson Mineral Group, Inc.  
1560 Broadway, Suite 1900  
Denver, CO 80202

Elizabeth W. Alford  
P.O. Box 489  
McComb, MS 39649

Emily A. Carlisle  
P.O. Box 1908  
McComb, MS 39649

HEXAD Oil Company  
201 W. Wall Street, Suite 800  
Midland, TX 79701

Pacific Energy & Mining Company  
Attn: Jerry Kumar, Vice President  
3550 Barron Way, Suite 13A  
Reno, NV 89511

Exxon Mobil Corporation/XTO Energy, Inc.  
Attn: Paul L. Keffer  
810 Houston Street  
Fort Worth, TX 76102-6298

Drawbridge Special Opportunities Fund LP  
and  
DB Zwirn Special Opportunities Fund LP  
1345 Avenue of the Americas - 46<sup>th</sup> Floor  
New York, NY 10105

A.G. Andrikopoulos Resources, Inc.  
P.O. Box 788  
Cheyenne, WY 82003-0788

Petrus Fund LP  
2300 Plano Parkway  
Plano, TX 75075

Greenville Partners  
P.O. Box 50612  
Midland, TX 79710

QEP Energy Company  
Attn: Jennifer Bates  
1050 17<sup>th</sup> Street, Suite 500  
Denver, CO 80265

Aspect Resources Limited Liability Company  
[No known current valid address; last address of  
record confirmed as invalid]

Marshall & Winston, Inc.  
P.O. Box 50880  
Midland, TX 79710-0880

BLM Moab Field Office  
Attn: Eric Jones  
82 East Dogwood  
Moab, UT 84532

BLM Utah State Office  
Attn: Roger Bankert  
440 West 200 South, Suite 500  
Salt Lake City, UT 84101

